

ASSEMBLY BILL

No. 3067

**Introduced by Committee on Veterans Affairs (Salas (Chair), Beall,
Carter, Lieu, and Wolk)**

March 5, 2008

An act to amend Section 985 of the Military and Veterans Code, relating to veterans.

LEGISLATIVE COUNSEL'S DIGEST

AB 3067, as introduced, Committee on Veterans Affairs. Military and Veterans: Veterans' farm and home purchase.

Existing law provides for farm and home purchase benefits for qualifying veterans under the Veterans' Farm and Home Purchase Act of 1974 and subsequent acts. It authorizes the Department of Veterans Affairs to assist veterans in acquiring homes and farms by generally providing that the department may purchase a farm or home, which the department then sells to a purchaser, as defined. Existing law defines "home" to include, among other things, a condominium and a mobilehome.

This bill would expand the definition of "home" to include multifamily housing, as defined.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 985 of the Military and Veterans Code
- 2 is amended to read:
- 3 985. As used in this article:

1 (a) “Farm” means a tract of land, which, in the opinion of the
2 department, is capable of producing sufficiently to provide a living
3 for the purchaser and the purchaser’s dependents.

4 (b) “Home” means any of the following:

5 (1) A parcel of real estate upon which there is a dwelling house
6 or other buildings that will, in the opinion of the department, suit
7 the needs of the purchaser and the purchaser’s dependents as a
8 place of abode.

9 (2) Condominium, as defined in subdivision (h).

10 (3) Mobilehome, as defined in subdivision (k).

11 (4) Cooperative housing, as defined in subdivision (m).

12 (5) *Multifamily housing, as defined in subdivision (n).*

13 (c) “Purchaser” means a veteran or any person who has entered
14 into a contract of purchase of a farm or home from the department.

15 (d) “Purchase price” means the price which the department pays
16 for any farm or home.

17 (e) “Selling price” means the price for which the department
18 sells any farm or home.

19 (f) “Initial payment” means the first payment to be made by a
20 purchaser to the department for a farm or home.

21 (g) “Progress payment plan” means payment by the department
22 for improvements on real property in installments as work
23 progresses.

24 (h) “Condominium” means an estate in real property consisting
25 of an undivided interest in common in a portion of a parcel of real
26 property together with a separate interest in space in a residential
27 building on the real property, such as an apartment, which, in the
28 opinion of the department, suits the needs of the purchaser and the
29 purchaser’s dependents as a place of abode. A condominium may
30 include, in addition, a separate interest in other portions of the real
31 property.

32 (i) “Effective rate of interest” means the average interest rate
33 of the interest on the unpaid balance due on a participation contract
34 to which the interest of the department is subject and the interest
35 rate on the unpaid balance of the purchase price, as determined by
36 the department.

37 (j) “Participation contract” means an obligation secured by a
38 deed of trust or mortgage, or other security interest established
39 pursuant to regulations of the department.

1 (k) “Mobilehome” means either a parcel of real estate, or an
2 undivided interest in common in a portion of a parcel of real
3 property, on which is situated a mobilehome that will, in the
4 opinion of the department, suit the needs of the purchaser and the
5 purchaser’s dependents as a place of abode and meets all
6 requirements of local governmental jurisdictions.

7 (l) “Immediate family” means the spouse of a purchaser, the
8 natural or adopted dependent children of the purchaser, and the
9 parents of the purchaser if they are dependent on the purchaser for
10 50 percent or more of their support.

11 (m) “Cooperative housing corporation” means a real estate
12 development in which membership in the corporation, by stock
13 ownership, is coupled with the exclusive right to possess a portion
14 of the real property.

15 (n) *“Multifamily housing” means a structure or set of structures*
16 *with common financing, ownership, and management, which*
17 *collectively contain five or more dwelling units, including efficiency*
18 *units. If more than one of the dwelling units is occupied as a*
19 *primary residence by a person or household who is the owner of*
20 *the structure or set of structures, the multifamily housing will not*
21 *qualify as a “home” for purposes of subdivision (b).*